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and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

	X
In re	:
MOTORS LIQUIDATION COMPANY, <i>et al.</i> , f/k/a General Motors Corp., <i>et al.</i>	:
Debtors.	:

**SECOND SUPPLEMENTAL DECLARATION OF ALBERT A. KOCH  
OF AP SERVICES, LLC AS CRISIS MANAGERS AND CHIEF  
RESTRUCTURING OFFICER TO THE DEBTORS AND DEBTORS IN POSSESSION**

I, Albert A. Koch being duly sworn, state the following under penalty of perjury.

1. I am a managing director of AlixPartners, LLP ("AlixPartners") and an authorized representative of APS. AlixPartners is an affiliate of AP Services, LLC ("APS"), a Delaware limited liability partnership, which has as its principal place of business 2000 Town Center, Suite 2400, Southfield, Michigan 48075.

2. Since approximately May 30, 2009, I have been acting as Chief Restructuring Officer to the Debtors.

3. Except as otherwise noted, I have personal knowledge of the matters set forth herein and, if called as a witness, would testify competently thereto.

4. On June 12, 2009, I executed my original declaration (the “**Original Declaration**”), in support of the motion (the “**Motion**”)<sup>1</sup>, dated June 12, 2009, of General Motors Corporation, and its affiliated debtors and debtors in possession for entry of an order authorizing the Debtors to employ and retain APS, as their crisis managers and to designate Albert A. Koch as Chief Restructuring Officer, pursuant to 11 U.S.C. § 363 of the Bankruptcy Code, 11 U.S.C. §§ 101-1532 and the Local Rules of the Bankruptcy Practice and Procedures of the United States Bankruptcy Court for the Southern District of New York and under the terms and conditions set forth in the Motion.

5. In the Motion, as part of APS’ retention by the Debtors, APS sought payment of a Success Fee in the total amount of \$13.0 million, and a Discretionary Fee.

6. On June 22, 2009, I executed my first supplemental declaration in support of the Application (the “**Supplemental Declaration**”).

7. On or about July 2, 2009, this court entered an Order Authorizing the Debtors to Employ and Retain AP Services, LLC as Crisis Managers and to Designate Albert A. Koch as Chief Restructuring Officer, *nunc pro tunc* to the Petition Date (the “**Retention Order**”). The Retention Order reflects an agreement with the United States Trustee, authorizing payment of 50% of the Success Fee to APS at the closing of the Transaction, subject to APS filing with the Court a supplemental affidavit summarizing the services rendered by APS with respect to the Transaction.

8. Accordingly, attached as **Exhibit A** is the summary requested by the United States Trustee in connection with the payment of 50% of the Success Fee to APS at the closing of the Transaction.

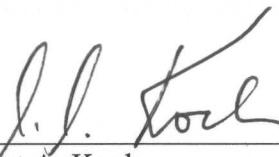
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<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meaning set forth in the Motion.

9. As provided in the Retention Order, the balance of the Success Fee and the Discretionary Fee are subject to further court approval after notice and hearing and are subject to review under a reasonableness standard under sections 330 and 331 of the Bankruptcy Code.

10. APS continues to submit that it holds no adverse interest as to the matters for which it has been employed by the Debtors and continues to reserve the right to supplement APS' disclosures in the event that APS discovers any facts bearing on matters described in this supplemental declaration regarding APS' employment by the Debtors. If any new material relevant facts or relationships are discovered or arise, APS will promptly file a supplemental affidavit pursuant to Bankruptcy Rule 2014(a).

Dated this 13th day of July, 2009



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Albert A. Koch

## Exhibit A

### Second Supplemental Declaration of Albert A. Koch

AlixPartners, LLP, an affiliate of AP Services, LLC, served as advisor to General Motors Corporation ("GM") from December, 2008 until GM filed for Chapter 11 bankruptcy protection on June 1, 2009. Our principal focus was on contingency planning in the event a Chapter 11 bankruptcy filing proved to be necessary. In the course of our work we participated in numerous work streams at GM, the output of which provided input both to the contingency planning process as well as other potential out-of-court solutions that were being pursued. Following are the major activities that AlixPartners participated in during this time period:

- The global cash team assisted in:
  - Designing, developing, and rolling-out the 13-week cash flow model now being used weekly with the United States Department of Treasury ("US Treasury").
  - Supported assessment of the DIP funding requirements / compliance packages and negotiations with the US Treasury and Export Development Canada ("EDC").
  - Assisted in analyzing the carve-out of GM's European cash management vehicle.
- Bankruptcy advisory and bankruptcy management support teams worked on:
  - Analyzing various 363 scenarios including assets to be sold and transferred to a US Treasury sponsored purchaser ("New GM").
  - Reconciliation of debt / claim values
  - Development of liability analysis package
  - Contingency planning of the receivables and payables for all legal entities
  - Legal entity disposition analysis
  - Supported the financials for first day motions
  - Development of web-based system to house and process contracts in North America
  - Debtor in Possession ("DIP") Financing estimations
  - Court reporting / liquidation analysis
  - Review of bond exchange S-4 document
  - Financial modeling.
- Set up, organized and helped GM execute several processes to enable success post Chapter 11 filing

- A Command Center for prompt decisions on contract issues and a Supplier Call Center was established to handle several hundred thousand direct and indirect supplier contracts
- A formal contract assumption, objection analysis / resolution and rejection process was established and assistance with staffing was provided. This included allowing an option to leave some contracts in an undetermined classification to drive competitive negotiations with suppliers. Additionally we assisted with implementing a Contract Notice Web-site
- A dealer rationalization process was established to sign up 6,000 dealers to new terms or deferred terminations.
- Assisted with developing the 1<sup>st</sup> day order payment approval process
- Assisted Corporate accounting to set up procedures for separating GM and New GM books and records
- Assisted with essential supplier agreement tracking and maintenance
- Assisted GM with the SAAB reorganization process providing, among other things, cash flow forecasting and business planning assistance
- Assisted GM's SAAB team and their advisors with potential buyers, providing analysis of data and supporting future strategies
- Assisted GM's staff in Europe, Asia Pacific and Latin America with contingency plan development and communications, assessment of revenue and cost impacts of multiple contingency planning scenarios on each country's forecast and collaborated on the DIP and exit financing requirements models by country
- Assisted in managing and supporting GM's sale process for specific entities in Europe including management presentations and data room management
- Assisted Canadian management and the legal team in preparation for a potential Companies' Creditors Arrangement Act ("CCAA") filing including:
  - A detailed plan for CCAA preparation
  - A liquidation analysis
  - Disbursement systems analysis
  - Analysis of cash flow projections and funding required
  - Development of a transition services agreement
  - Performance of an IT systems review.
- Assisted in managing International asset transfers across all regions
  - Assisted in identifying the list of excluded subs

- Coordinated entity restructuring to both isolate excluded entities and to minimize costs associated with the transfers
- Assisted in managing communications and follow-ups with joint venture partners to secure necessary waivers
- The information systems team assisted in identifying risk and mitigating actions across applications, infrastructure, transition services agreements, contracts and personnel for the Chapter 11 filing in the US and across various global scenarios
- The information systems team also is supporting carve-out activities associated with specific entities targeted for sale to third parties – including Adam Opal's potential sale to Magna International Inc. and with respect to potential matters relating to Delphi Corporation ("Delphi")
- Assisted in supporting aspects of the Delphi negotiations and due diligence in connection therewith
- Our communications advisors have provided counsel and expertise to setting up and managing communications strategy, tactical planning and roll-out prior to and after the Chapter 11 filing
- HR and brand / dealer teams assisted in developing and leading education sessions to present a restructuring primer that would ensure that the functions understood pitfalls that may be encountered and were ready to mitigate brand and dealer reactions
- Supported global assessment of GM's intellectual property subsidiary and engineering contracts and IP transfers – including those impacting International operations
- Assisted in coordinating issue identification, risk mitigation and work plan development across all work streams and regions
- Assisted in coordinating work stream and regional input into US Treasury submissions
- Helped coordinate, develop and review bondholder presentations, weekly Board of Director presentations and special topic assessments
- Designed data room and assisted in managing the data request process for all advisors
- Contingency planning for bankruptcy readiness – and management of a quick 363 sale closing
- Enhanced and deployed project management office systems in GM Asia Pacific
- Prepared functional teams in their preparedness to execute the Chapter 11 filing including bankruptcy training for GM staff
- Managed data requests for the unsecured creditors' committee

- Establishment and assistance in staffing a Review Board process and structure for GM to address supplier-related issues.
- Support to the International Assets Transfer team to reduce the adverse impacts of a Chapter 11 filing
- Assistance in staffing the Contracts negotiation team in evaluating and renegotiating certain contracts and leases. Functional areas covered include Sales and Marketing, Manufacturing, Information Systems, Finance outsourcing and Benefits administration
- Assistance in Europe to identify additional savings in GM's manufacturing footprint.
- Assistance to help reduce cost structures at certain facilities
- Assistance in developing implementation plans regarding certain Delphi facilities
- Assistance in representing GM's interests at SAAB as it has worked through its reorganization and was successful in proposing a transaction that is satisfactory to its creditors